Report on Enforcement of Drug Laws

3792. SHRI V. HANUMANTHA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the panel set up recently on enforcement of drug laws has since submmitted its report to Government;

(b) if so, what are the main recommendations contained in the Report and whether the same have been accepted ; and

(c) how soon Government propose to implement them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) No such panel on enforcement of drug laws has been set up by the Government. However, a Committee has been set up to undertake a comprehensive review of the present arrangements for dealing with problem of drug abuse. This Committee has yet to submit its report.

(b) and (c) Do not arise.

Setting up of Financial Services Company by Bank of America

3793. SHRI N. E. BALARAM :

SHRI INDER KUMAR GUJRAL :

Will the Minister of FINANCE be pleased to state :

(a) whether the Bank of America has been permitted by an authorised Committee of the Government of India to set up a Financial Services Company;

(b) whether in the proposed Financial Services Company the Bank of America will be holding 80 per cent equity;

(c) whether the Bank of America has come in for adverse comments in the JPC Report; and

(d) the reasons for Government to allow this ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a), (b) and (d) Reserve Bank of India (RBI) have reported that Bank of America International Financial Corporation, a subsidiary of Bank of America Corporation, has been permitted by Foreign Investment Promotion Board (FIPB) to establish a subsidiary company to undertake financial services. The foreign equity permitted by FIPB amounts to 75% of the equity capital of the proposed company. Formal application to RBI seeking approval under Foreign Exchange Regulation Act, 1973 is yet to be made by the bank.

(c) Yes, Sir.

Abolishing Excise Levies on Biscuits

3794. SHRI B. K. HARIPRASAD : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that presently biscuits produced by the organised sector are subject to excise duty ; if so, to what extent;

(b) whether Government are aware that biscuits have become essential food for the masses, including the poor which provide them with nutrition at affordable expenses; and

(c) whether Government exempted luxury-oriented items like tooth-paste, cosmetics, ice-cream, etc. from the purview of excise levy; if so, whether Government would consider abolishing excise levies on biscuits manufactured by the organised sector ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Biscuit is levied to excise duty of 10% ad valorem.

(b) Biscuits are used by wide cross section of the people and the prices also vary widely depending upon quality, brand name, type etc.

(c) No, Sir.

Discharging the Functions of Vice-chairman/Member of a Bench of Settlement Commission

3795. SHRI GOPALSINH G. SOLANKI : Will the Minister of FINANCE be pleased to state :

(a) whether under the provisions of sub-section (#) of Section 245BA of Income Tax Act 1961, the Chairman of Principal